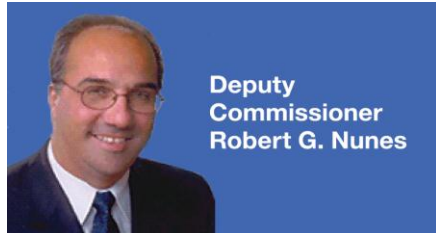


A Publication of
the Massachusetts
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Division of Local Services

City & Town

Amy Pitter, Commissioner • Robert G. Nunes, Deputy Commissioner & Director of Municipal Affairs



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City & Town is published by the Massachusetts Department of Revenue's Division of Local Services (DLS) and is designed to address matters of interest to local officials.

Editor: Dan Bertrand

Editorial Board: Robert Nunes, Robert Bliss, Zack Blake, Amy Handfield, Sandra Bruso and Patricia Hunt

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City & Town User Survey

Two years ago, the *City & Town* editorial board surveyed readers about improvements they would like to see in our newsletter.

The results of that survey prompted a number of changes, some of which were implemented right away, others which took a year to implement. *C&T* shifted publication to twice monthly and revised its appearance in September 2012 to include links to frequently sought items on our web page, a table of contents, and switched formats from text blocks to an e-newsletter.

Throughout all this, we kept in mind one of the survey's strongest findings - that our readers value news and analysis from DLS subject matter experts. To that end, we introduced earlier this year a new feature, *Ask DLS*, which presents information in a question-and-answer format.

In the spirit of DOR360, DLS believes that constant communication with our stakeholders - and in this case, you, our readers - will help us to produce the best possible *C&T*.

And so I ask you take a moment to respond to a new *C&T* reader survey. It contains seven questions, replies are tabulated anonymously and the results will be reported back to you. Your opinions matter and will help shape the direction of *C&T* going forward.

To take the survey, please click [here](#).

On a separate note, I want thank those who attended the 5th Annual Regionalization Conference at Holy Cross College September 16 in Worcester, and to our conference partners, the Franklin Regional Council of Governments and the Massachusetts Association of Regional Planning Agencies.

The conference afforded yet another opportunity for local officials to discuss regionalization efforts and to share experiences, as well as providing a moment to thank former Lieutenant Governor Tim Murray for his instrumental role in shepherding support for regionalization efforts on behalf of Governor Deval Patrick.

We're pleased to announce that presentations from the event are now available online. To view them, please click [here](#).

Robert G. Nunes
Deputy Commissioner and Director of Municipal Affairs
Nunesr@dor.state.ma.us

Suggest *City & Town* to a Colleague or Friend

DLS communicates with local officials in a variety of ways including our DLS Alerts and *City & Town*, through our trainings and publications and by phone and site visits. We provide Informational Guideline Releases, Cherry Sheet estimates, reminders on local filing deadlines, best practice suggestions on a variety of municipal finance subjects and other valuable information. But, we can only communicate with you if we know how to reach you and your colleagues.

We would like to remind all City and Town Clerks to enter newly elected and appointed officials in the Local Officials Directory through our Gateway system. If you haven't already, please do so by clicking [here](#).

We'd also invite any and all local officials to sign up to receive his/her own copy of *City & Town*. So, please pass this invitation along to other local officials and colleagues. They can sign up for *City & Town* by either emailing us at cityandtown@dor.state.ma.us

or by visiting the following link:

<https://wfb.dor.state.ma.us/DORCommon/Listserv/DLSMailList.aspx>

Ask DLS

This month's *Ask DLS* features frequently asked questions about the procedures to appeal decisions on applications for classification as forest, farm and recreational land and to contest tax assessments on classified land. We hope the answers will provide timely and helpful information. Please let us know if you have other areas of interest or send a question to cityandtown@dor.state.ma.us. We would like to hear from you.

What is the procedure to appeal the denial of an application for classification of land as forest, farm or recreational land under [Chapters 61](#), [61A](#) or [61B](#)?

Forest Land ([Chapter 61](#)) - If the State Forester determines land qualifies for classification as forest land, the landowner submits the State Forester's certificate and approved forest management plan for the land to the assessors with an application for classification on or before September 30. If the assessors believe that any land included within the State Forester's certification and approved management plan does not qualify for classification under [G.L. c. 61](#) (or if previously classified land is not being managed under the approved management plan or is being used in a manner incompatible with forest production), they may appeal in writing to the State Forester by December 1 and request denial of the application for classification (or removal of the land from classification). The assessors must send the appeal and a copy to the landowner by certified mail. The State Forester must notify the assessors and landowner of the decision on the appeal by March 1 of the following year. The assessors or landowner may appeal that decision by notifying the State Forester by April 15. The State Forester must then convene a 3 person regional panel to hear the appeal by May 15. Notice of the panel's decision must be given to the assessors and landowner within 10 days after the hearing ends. Within 45 days of notice of the panel's decision, the assessors or landowner may appeal to the Appellate Tax Board or Superior Court. The State Forester may also initiate the removal of land from classification upon knowledge that the land is not being managed according to the approved forest management plan or does not otherwise qualify for classification. The same procedures and

deadlines apply to that removal procedure. [G.L. c. 61, sec. 2.](#)

Farm Land (Chapter 61A) - The assessors have 3 months to act on a timely filed application to determine whether the land qualifies for classification as agricultural or horticultural land under [G.L. c. 61A](#). If the assessors do not act within that time, the application is deemed allowed. The assessors must send a written notice of the allowance or disallowance of the application within 10 days of the action. The notice, [Form CL-2, Notice of Action on Application for Forest-Agricultural or Horticultural-Recreational Land Classification](#), sets forth the reasons for any disallowance and explains the landowner's appeal rights. It must be sent by certified mail. [G.L. c. 61A, sec. 9.](#)

A landowner denied classification of all or part of the land may apply to the assessors for a modification of their action on the application for classification. The landowner must apply for the modification within 30 days of the notice of denial. [Form CL-7, Application to Modify a Decision/Abate a Tax, Classified Forest, Agricultural-Horticultural-Recreational Land](#). If the assessors refuse to modify their determination, or they do not act on the application, the landowner may appeal to the Appellate Tax Board within 30 days of the date of notice of the assessors' decision, or within three months of the date of the application for modification, whichever is later. [G.L. c. 61A, sec. 19.](#)

Recreational Land (Chapter 61B) - The assessors have three months to act on a timely filed application to determine whether the land qualifies for classification as recreational land [G.L. c. 61B](#). If the assessors do not act within that time, the application is deemed disallowed. The assessors must send a written notice of the allowance or disallowance of the application within 10 days of the action. The notice, [Form CL-2, Notice of Action on Application for Forest-Agricultural or Horticultural-Recreational Land Classification](#), sets forth the reasons for any disallowance and explains the landowner's appeal rights. It must be sent by certified mail. [G.L. c. 61B, sec. 6.](#)

A landowner denied classification of all or part of the land may apply to the assessors for a modification of their action on the application for classification. The landowner must apply for the modification within 60 days of the notice of denial. [Form CL-7, Application to Modify a Decision/Abate a Tax, Classified Forest, Agricultural-Horticultural-Recreational Land](#). If the assessors refuse to modify their determination, or they do not act on the application, the landowner may appeal to the Appellate Tax Board within 30

days of the date of notice of the assessors' decision, [Form CL-8, Notice of Action on Application to Modify a Decision or Abate a Tax, Classified Forest, Agricultural-Horticultural - Recreational Land](#), or within three months of the date of the application for modification, whichever is later. [G.L. c. 61B, sec. 14](#).

What is the procedure to contest the assessment of a property, roll-back or conveyance tax assessed a landowner whose property is classified under [Chapters 61](#), [61A](#) or [61B](#)?

Forest Land ([Chapter 61](#)) - A landowner aggrieved by the assessment of a tax on land classified under [G.L. c. 61](#) may apply for abatement of the tax to the assessors within 30 days of notice of the assessment. [Form CL-7, Application to Modify a Decision/Abate a Tax, Classified Forest, Agricultural-Horticultural-Recreational Land](#). If the landowner disagrees with the assessors' decision, or the assessors do not act on the application, the landowner may appeal to the Appellate Tax Board within 30 days of the date of notice of the assessors' decision, [Form CL-8, Notice of Action on Application to Modify a Decision or Abate a Tax, Classified Forest, Agricultural-Horticultural - Recreational Land](#), or within three months of the date of the application for abatement, whichever is later. [G.L. c. 61, sec. 3](#).

Farm Land ([Chapter 61A](#)) - A landowner aggrieved by the assessment of a tax on land classified under [G.L. c. 61A](#) may apply for abatement of the tax to the assessors within 30 days of notice of the assessment. [Form CL-7, Application to Modify a Decision/Abate a Tax, Classified Forest, Agricultural-Horticultural-Recreational Land](#). If the landowner disagrees with the assessors' decision, or the assessors do not act on the application, the landowner may appeal to the Appellate Tax Board within 30 days of the date of notice of the assessors' decision, [Form CL-8, Notice of Action on Application to Modify a Decision or Abate a Tax, Classified Forest, Agricultural-Horticultural - Recreational Land](#), or within 3 months of the date of the application for abatement, whichever is later. [G.L. c. 61A, sec. 19](#). If the appeal relates to the annual property tax on the classified land, the tax must be paid for the Appellate Tax Board to hear the appeal.

Recreational Land ([Chapter 61B](#)) - A landowner aggrieved by the assessment of a tax on land classified under [G.L. c. 61B](#) may apply for abatement of the tax to the assessors within 60 days of notice of the assessment. [Form CL-7, Application to Modify a Decision/Abate a Tax, Classified Forest, Agricultural-Horticultural-Recreational Land](#). If the landowner disagrees with the assessors' decision, or

the assessors do not act on the application, the landowner may appeal to the Appellate Tax Board within 30 days of the date of notice of the assessors' decision, [Form CL-8, Notice of Action on Application to Modify a Decision or Abate a Tax, Classified Forest, Agricultural-Horticultural - Recreational Land](#), or within three months of the date of the application for abatement, whichever is later. If the appeal relates to the annual property tax on the classified land, the tax must be paid for the Appellate Tax Board to hear the appeal. [G.L. c. 61B, sec. 14.](#)

Bureau of Accounts Staff Completes 2013 Summer Projects

Tony Rassias (Deputy Director of Accounts), Tom Guilfoyle (Boston Office Supervisor) and Dennis Mountain (Regional Offices Supervisor)

Bureau of Accounts' field representatives have recently completed two summer projects in anticipation of receiving this fiscal year's balance sheets and tax rate recap forms.

Their first project reviewed enterprise fund indirect costs in 44 communities to determine whether these costs, as reported to the Bureau during last fiscal year's tax rate certification process, were reasonably determined and properly documented.

In recent years, concerns have arisen as to whether enterprise funds bear more than their share of indirect costs by over-compensating the General Fund for them. Enterprise Fund indirect costs, such as debt service, employee benefits as well as shared employee salaries and benefits, are appropriated in the General Fund but paid for by enterprise fund revenues. These revenues then reimburse the General Fund, but can only do so to the extent of the amount budgeted.

Bureau staff noted that improvements are needed in both calculating and reporting indirect costs. The Bureau expects that further guidance applicable to all enterprise funds will be released in the Bureau's March 2014 Budget Bulletin available via *City & Town*.

Their second project reviewed efforts of cash reconciliation between the Treasurer and Accounting Official in 18 communities to determine whether cash is being reconciled monthly or annually, and whether there is a current variance.

Data submitted to the Bureau with recent balance sheets has revealed that there is an annual cash variance between the Treasurer's and Accounting Officer's detail records in many communities. Timely reconciliation of cash is part of a strong and effective system of internal control and must be raised in priority to reduce the risk of financial misstatement or fraud. The goal of the Treasurer and Accounting Officer should always be to reconcile taxpayer funds at the close of each month to the penny.

For the cities and towns visited, the Director of Accounts issued letters to three Boards of Selectmen and to one Mayor reminding them of the importance of cash reconciliation and that "failure to properly reconcile cash on a monthly basis can reduce free cash, jeopardize the setting of your tax rate, and possibly reduce your bond rating."

These projects were conducted as part of the Division of Local Services' FY2014 Strategic Plan which stresses the Bureau's oversight role in the achievement of sound and efficient fiscal management.

Making Advanced Technology Affordable for Small Towns: A Case Study in Joint Purchasing and Cloud Computing

DLS IT Director David Davies, the Town of Royalston and the Community Software Consortium

Small New England towns have the same basic functions to perform as the largest cities and counties elsewhere. Massachusetts residents want to preserve home rule and the traditions of town meeting governance, created in the 17th century and sustained over three centuries. Such preservation, however, has made performance of the aforementioned basic functions less than efficient. Small towns with few resources could manage with written ledgers and hand calculators when that was all that the work required.

As state regulations and requirements, not to mention state agencies' own drive for low cost efficiencies, forced cities and towns to automate and digitize, a steadily widening digital divide increasingly put smaller towns at risk. Most often, they had neither the staffing nor the resources to safely or effectively use advancing technologies to perform basic functions.

Small town government in the marketplace of governmental technology is an anomaly. Vendors of products and services compete throughout the country to win contracts with jurisdictions whose typical size is equivalent to the largest Massachusetts cities. The choices for towns under 10,000 residents have been few and problematic in recent years.

Now, the continuing evolution of technology offers a potential game-changing set of alternatives. Cloud computing, where data, application programs, and IT expertise are centralized allows small town officials to consider doing away with all but simple desktop, laptop, or tablet computers and a printer or two. Even more important than not having to buy and upgrade network equipment is the possibility of essential town data being automatically protected by experts instead of by the good intentions of untrained volunteers. For these, and many other reasons, cloud computing is the inevitable future of municipal computing for most Massachusetts towns (and, soon enough, cities).

But how might a very small town take immediate advantage of this potential solution to a longstanding and growing problem? "Not alone" is part of the answer. Another part is to find at least one town with the personnel and leadership to act decisively in their own interest as well as for other towns. The Community Software Consortium (CSC) was formed by over 70 Massachusetts cities and towns almost twenty years ago to apply joint purchasing strategies to acquiring advanced technologies for its member communities. All communities benefited equally from resulting savings, i.e. purchase prices and service contract costs did not vary by community size.

For at least the last five years, the CSC has contemplated moving applications and data to the cloud, as the realities of local system administration and the desire of members to be freed from the constraints of client-server computing kept members and their advisors looking for cheaper, simpler ways of hosting and supporting the basic functions of assessors and collectors/treasurers. The Community Innovation Challenge Grant program offered an opportunity, and the Town of Royalston stepped forward to be the lead applicant on behalf of all CSC member communities.

Arguably, any member community could have volunteered for such a role. What made Royalston a good choice?

- In size, location, and resources, it is typical of the towns that

have the greatest need. If the resulting solutions work for Royalston, they can work for any town no matter how small, poor, or remote.

- Royalston was fortunate to have an official with the training, experience, and aptitude to take on overall project management, on-going requirements specification, and detailed testing and quality assurance.
- Royalston has an informed and supportive executive leadership, ready to make things happen to get the project off the ground and to maintain the focus on project objectives over time.

The Town of Royalston, on the New Hampshire border equidistant between Boston and the New York state line, has about 1,200 residents and collects or receives about \$2 million in annual revenues. The Selectboard manages town affairs, while a mix of mostly part-time and a few full-time officials perform essential functions of government. Acting on its own, a town like Royalston faces daunting hurdles in obtaining advanced technologies specific to town operations. The town can simply not afford to license industry-leading software from major vendors, and those vendors are not anxious to make marketing calls to a remote town hall where the resulting contract would be small and the support requests many.

The CSC has observed, over the years, not only a consolidation of major municipal software vendors aiming increasingly at the large jurisdiction market, but also the disappearance of small firms catering to exclusively to small towns. With numerous invitations to see and settle on various proprietary packages, the CSC has preferred, whenever possible, to develop and support its own software solutions, available without licensing cost to member communities. Onsite and remote desktop support has met requests for assistance over the years with active state support, but the cost and speed advantages of administering one database and one set of application modules on one set of central servers has been obvious but until recently unattainable.

In winning a Community Innovation Challenge Grant, Royalston was given the opportunity to put these assumptions and projections to the test. The CSC's existing billing and collection program for real and personal property plus motor vehicle excise was rewritten from the ground up in .NET Internet-friendly programs tied to a Microsoft SQLServer database. Existing Business Objects business intelligence tools (custom query and reports) were successfully linked to the new database. Complementary programs for computer

assisted mass appraisal and personal property valuation were set up in terminal emulation mode so they could work for users in the cloud, tied to a central database, without a complete rewrite. A dashboard in Microsoft Sharepoint pulled the different components together with a custom look for each participating community. Along the way, Royalston addressed enhancement requests of collectors in member towns, ensuring that the resulting product was not just a copy of past functionality, but included everything that member collectors had recently asked for.

The Community Innovation Challenge Grant program came with regular progress report requirements and firm deadlines. Royalston's part-time collector and former CSC board member, Rebecca Krause-Hardie, acted as project manager throughout and the grant phase finished on target and within budget.

The software is now in beta testing, i.e. in actual use in a production environment going through an entire year's worth of activity to identify any bugs or issues. Royalston has elevated its financial operations to the cloud successfully, and other CSC member communities have lined up to follow. Their investment in advanced technology, now that Royalston has led the way, will be limited to any internet-ready device, anywhere. These communities will be able to concentrate on their work, leaving the technicalities to someone, somewhere.

October 1	Collector	Mail Semi-Annual Tax Bills For communities using the regular semi-annual payment system, actual tax bills or optional preliminary bills should be mailed by this date.
October 1	Taxpayer	Semi-Annual Preliminary Tax Bill - Deadline for Paying Without Interest According to M.G.L. Ch. 59, Sec. 57C, this is the deadline for receipt of the preliminary tax payment without interest in communities using the annual preliminary tax billing system, unless the bills were mailed after August 1. If mailed after August 1, the payment is due November 1, or 30 days after the bills were mailed, whichever is later.
October 1	Taxpayer	Deadline for Applying to Have Land Classified as Agricultural/Horticultural Land or Recreational Land, M.G.L. Ch. 61A and Ch. 61B. According to M.G.L. Ch. 61A, Sections 6 and 8, and Ch. 61B, Sections 3 and 5,

		<p>this is the deadline to apply to Assessors to have land valued, taxed and classified as agricultural/horticultural or recreational land in the next fiscal year, unless a revaluation program is being conducted for that fiscal year. Under M.G.L. Ch. 59, Section 38 and DOR guidelines, Assessors must review all property valuations and make adjustments to ensure current fair cash valuations every year. Because a revaluation program is being conducted every year, taxpayers who do not submit their applications by October 1 have until 30 days after the actual tax bills for the fiscal year are mailed to apply.</p>
October 15	Superintendent	Submit School Foundation Enrollment Report to DESE
October 31	Accountant	<p>Submit Schedule A for Prior Fiscal Year</p> <p>This report is a statement of the revenues received, expenditures made and all other transactions related to the community's finances during the previous fiscal year. The Schedule A classifies revenues and expenditures into detailed categories that will provide information essential for an analysis of revenues and expenditures generated by various departments. This data, like other financial information reported to DOR, is entered into DOR's Municipal Data Bank; as such, the Department may provide time series, comparative and other types of analyses at the request of a city or town. This information is also sent to the US Census Bureau and eliminates a prior federal reporting requirement. Failure to file by October 31 may result in withholding major distributions of state aid until the Schedule A is accepted by BOA.</p>
October 31	Selectmen	Begin Establishing Next Fiscal Year Budget Guidelines and Request Department Budgets
October 31	Assessors	<p>Begin Work on Tax Rate Recapitulation Sheet (to set tax rate for annual preliminary tax bill communities)</p> <p>A community that uses the annual preliminary tax bill system (on a quarterly or semiannual basis) should begin gathering tax recap information in</p>

		order to have enough time for the tax rate to be set and tax bills mailed by December 31. See August's Complete Tax Rate Recapitulation Sheet.
October 31	Treasurer	Notification of monthly local aid distribution, click www.mass.gov/treasury/cash-management to view distribution breakdown.
To unsubscribe to <i>City and Town</i> and all other <i>DLS Alerts</i> , please click here .		